GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

APMMC Rules, 1966 – Certain amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966 – Orders - Issued.

INDUSTRIES & COMMERCE (MINES-II) DEPARTMENT

G.O.MS.No. 183 **Dated: 27-12-2017**

Read the following:-

1. G.O.Ms.No.1172, Ind. & Com. (B.I) Dept., Dt.04.09.1967.
2. G.O.Ms.No.29, Ind. & Com. (M.II) Dept., Dt.15.02.2017.
3. From the Director, Mines & Geology, GoAP., Vijayawada, Lr. No.7836/P/2014, Dt.05.07.2017.
4. Govt. Memo. No.5584 /M.II(1)/2017, dt.19.07.2017.
5. From the Director, Mines & Geology, GoAP., Vijayawada, Lr. No.7836/P/2014, Dt. 30.08.2017.
6. From the DM&G, GoAP., E-Office file bearing C. No.5584/ M.II(1)/2017, Dt. 25.10.2017.

--::o0o::--

ORDER:

In the G.O. 2nd read above, Government have issued orders amending certain rules of Andhra Pradesh Minor Mineral Concession Rules, 1966.

2. The Director of Mines & Geology, Government of Andhra Pradesh in the references 5th and 6th read above, has submitted proposal to Government to make amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966, relating to transfer of leases, as per the decision taken by the Government in review meeting held on 02.08.2017, keeping in view the request from mining industry and in view of the hardship being faced by M/s. AP Mineral Development Corporation Ltd., a State Public Sector Unit for not having a provision for subletting the leases granted to them in favour of the Joint Venture companies formed by them.

3. After careful examination, the Government hereby decided to make amendments to the said Rules, 1966, as amended from time to time.

4. Accordingly, the following notification shall be published in the Extra-ordinary issue of the Andhra Pradesh Gazette **dt. 28.12.2017**.

Contd...

NOTIFICATION

In exercise of the powers conferred under sub-section (1) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Central Act 67 of 1957), as amended from time to time, the Governor of Andhra Pradesh hereby makes the following amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966 issued in G.O.Ms.No: 1172, Industries & Commerce (B.I) Department, dt.04.09.1967 as subsequently amended:-

AMENDMENTS

In the said Rules,-

(i) After sub clause (viii) of clause (h) of sub-rule (5) of rule 12, the following shall be inserted:

*"**(Viii a)**:- The holder of a Lease, with the prior approval of the Director of Mines & Geology, may be permitted to transfer such Lease for captive purpose in favour of the existing mineral based industry or to a new mineral based industry with a condition that no permits will be issued till Commercial Operation Date (CoD) is declared by the competent authority for mineral processing and value addition.*

The application for transfer of Lease shall be made to the Assistant Director of Mines & Geology concerned in Form-R along with the non-refundable application fee of Rs.10,000/- (Rupees ten thousand only) along with the copies of certificate issued by the competent authority showing the evidences for ownership and running of the industry. The transfer Lease deed shall be executed as per rule 12(5)(e).

*The permission for transfer of Lease to the mineral based industry holder shall be accorded on payment of an amount equivalent to **ten times** of dead rent per hectare or the amount equivalent to the dead rent per hectare for the unexpired period of lease, whichever is higher. Such transfer shall be made only in favour of persons/entities owning the industry which would be consuming the mineral."*

Contd...

***"(Viii b)**:- In case the Lease is granted to an Individual/ Sole Proprietorship Firm, the Lessee, with the prior approval of the Director of Mines & Geology, may be permitted to change its constitution from individual/ Proprietorship concern into partnership firm by adding new partners, on registering itself as a Partnership Firm under the Indian Partnership Act, 1932 and the original Lessee shall continue to hold 51% of his/her share and voting rights in the partnership firm so created, till expiry of Lease or subsequent renewal Lease period. The inter-se ratio of shares among original partners shall not be changed during such a transfer. The Lessee shall furnish the registration certificate to the Director of Mines & Geology within 60 days from the date of such changes made."*

***"(Viii c)**:- In case of Lease granted to a partnership firm, such firm, with the prior approval of the Director of Mines & Geology, may be permitted to add new partners into the firm so that the original partners of the firm together shall continue to hold 51% of their share and voting rights in the reconstituted firm till expiry of Lease or subsequent renewal Lease period. The inter-se ratio of shares among original partners shall not be changed during such a transfer. The Lessee firm shall effect such changes in the constitution of the firm as required under the Indian Partnership Act 1932 and intimate the same to the Director of Mines & Geology within 60 days from the date of such changes made."*

***"(Viii d)**:- In case of Lease granted to the company registered under Companies Act, 2013, such company, with the prior approval of the Director of Mines & Geology, may be allowed to add new Directors into the company and the original Directors of the company together shall continue to hold 51% of their share and voting rights in the company till expiry of Lease or subsequent renewal Lease period. The inter-se ratio of shares among original Directors shall not be changed during such a transfer. The Lessee shall effect such changes in the constitution of the company as required under the Companies Act, 2013 and intimate the same to the Director of Mines & Geology within 60 days from the date of such changes made.*

Contd...

Provided that in all the cases mentioned at (viii b), (viii c), (viii d), the Lessee shall pay 2(two) times of dead rent payable under schedule II of rule 10 of Andhra Pradesh Minor Mineral Concession Rules, 1966 as charges for affecting changes in constitution/reconstitution of the firms/companies and the lessee shall be made an application before the Assistant Director of Mines & Geology concerned in Form-R-1 appended to this order, *along with the non-refundable application fee of Rs.10,000 (Rupees ten thousand only). The transfer lease deed shall be executed as per the provision under rule 12(5) (e)."*

***"(Viii e)**:- In the case of Lease held by the Central/State Public Sector Units, they may be permitted to sublet the Lease granted to them in favour of Joint Venture Companies/firms formed by them after intimating the Director of Mines & Geology."*

(ii) After the sub-rule (ix) of rule 31, the following shall be inserted, namely, -

***"(ix a)** : The holder of a lease, with the prior approval of the Deputy Director of Mines & Geology concerned, may be permitted to transfer such lease for captive purpose in favour of the existing mineral based industry or to a new mineral based industry with a condition that no permits will be issued till Commercial Operation Date (CoD) is declared by the competent authority for mineral processing and value addition.*

The application for transfer of lease shall be made to the Assistant Director of Mines & Geology concerned in Form-R, along with the non-refundable application fee of Rs.10,000/- (Rupees ten thousand only) along with the copies of certificate issued by the competent authority showing the evidences for ownership and running of the industry. The transfer lease deed shall be executed as per the provision under rule 13(i).

The permission for transfer of lease to the mineral based industry holder shall be accorded on payment of an amount equivalent to ten times of dead rent per hectare or the amount equivalent to the dead rent per hectare for the unexpired period of lease, whichever is higher. Such transfer shall be made only in favour of persons/entities owning the industry which would be consuming the mineral.

***(ix b)**:- The lessee, with the prior approval of the Deputy Director of Mines & Geology concerned, may be permitted to change from an individual/ sole proprietorship firm into partnership firm by adding new partners on registering itself as a Partnership Firm under the Indian Partnership Act, 1932 and the original lessee shall continue to hold 51% of his share and voting rights in the partnership firm so created, till expiry of lease or subsequent renewal lease period. The inter-se ratio of shares among original partners shall not be changed during such a transfer. The lessee shall register itself as required under the Indian Partnership Act 1932 and furnish the registration certificate to the Deputy Director of Mines & Geology concerned, within 60 days from the date of such changes made.*

***(ix c)**:- In case of lease granted to a partnership firm, such firm, with prior approval of the Deputy Director of Mines & Geology concerned, may be permitted to add new partners into the firm and the original partners of the firm together shall continue to hold 51% of their share and voting rights in the reconstituted firm till expiry of lease or subsequent renewal lease period. The inter-se ratio of shares among original partners shall not be changed during such a transfer. The lessee firm shall effect such changes in the constitution of the firm as required under Indian Partnership Act 1932 and intimate the same to the Deputy Director of Mines & Geology concerned, within 60 days from the date of such changes made.*

***(ix d**):- In case of lease granted to the company registered under Companies Act 2013, such company, with prior approval of the Deputy Director of Mines & Geology concerned, may be permitted to add new Directors into the company so that the original Directors of the company together shall continue to hold 51% of their share and voting rights in the company till expiry of lease or subsequent renewal lease period. The inter-se ratio of shares among original Directors shall not be changed during such a transfer. The lessee company shall effect such changes in the constitution of the company as required under Companies Act, 2013 and intimate the same to the Deputy Director of Mines & Geology concerned, within 60 days from the date of such changes made.*

Contd...

Provided that in all the cases mentioned at rule 31(ix b)(ix c)(ix d), the lessee shall pay two (2) times of dead rent payable under schedule II of rule 10 of Andhra Pradesh Minor Mineral Concession Rules, 1966 as charges for affecting changes in constitution/reconstitution of the firms/companies and the lessee shall be made an application before the Assistant Director of Mines & Geology concerned in Form-R-1 appended to this order*, along with the non-refundable application fee of Rs.10,000 (Rupees ten thousand only). The transfer lease deed shall be executed as per the provision under rule 13(i).*

***(ix e)**:- In the case of lease held by the Central/State Public Sector Units, they may be permitted to sublet the lease granted to them in favour of Joint Venture Company/firm formed by them after intimating the Deputy Director of Mines & Geology concerned."*

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

B. SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To
The Commissioner of Printing, Stationery & Stores Purchases (Printing Wing), Andhra Pradesh, Vijayawada. (He is requested to publish the above Notification in the Extra Ordinary issue of A.P. Gazette, with immediate effect and arrange to send 200 copies of the same to the Government in Industries & Commerce(M.II) Department)
The Director of Mines & Geology, A.P., Ibrahimpatnam, Vijayawada.
The V.C. & M.D., M/s. APMDC Ltd., Kanuru, Vijayawada. PIN-521137

Copy to:

The Law (H) Department
The P.S. to Secy. (Mines), Ind. & Com. Department
The PS to Minister for Mines & Geology.
The P.S. to Prl.Secy. to C.M.
Sf/[FileNo.5584/M.II(1)/2017]

Annexure

(to G.O.Ms.No.183 , Ind. & Com.(M.II) Dept. dated 27.12.2017)

MODEL FORM-R-1

Application for changes in constitution/reconstitution of the firm/company holding Lease for Minor Minerals.

[see Rules 12(5)(h)(viii) b to d and 31(ix) b to d]

Received
At....(Place)
On... (Date)

To
The Director of Mines & Geology/Deputy Director of Mines & Geology_____ (Through the Asst. Director of Mines & Geology)

Sir,

I/We request for sanction of permission for change of lessee from individual to Partnership Firm/ reconstitution of the firm/company by adding Partners/Directors into the firm/company holding the Lease granted under Andhra Pradesh Minor Mineral Concession Rules, 1966.

2. A sum of Rs. 10,000/- (Rupees Ten Thousand only) being the fee in respect of this application has been deposited vide challan No._____ dt. _____ of the State Bank of India/Treasury

3. Details of the Lease Holder:

i) Name;
ii) Address;
iii) Location of the Lease area;
  a) Sy. No;
  b) Village;
  c) Mandal;
  d) District;
  e) Extent in Hects;
iv) Name of the Mineral/s;
v) Number and date of grant order of the Lease;
(Please enclose copy of grant order);
vi) Number and date of work order of the Lease;
(Please enclose copies of work order and lease deed);

4. Reasons for change of entity;

Contd..

5. Details of partners to be added/ or exiting;

S.No	Name of the New Entrant	Address	Aadhaar Number	PAN	proposed % of Share holding	Self attested Photograph

6. Whether the partners proposed to be inducted into the Firm/Company are financially sound or not (please enclose copies of Income Tax returns for the last three (3) years);

7. Whether the lessee intends to change the name of the holder of Lease if so, please indicate the name of the new firm/company;

8. Any other information lessee intends to furnish;

Declaration

I/we declare that the above information furnished by me/us is true to the best of my knowledge.

Place:
Date:

Signature of the Lease Holder/
Authorized Signatory

Note: In case the application is signed by the authorized signatory, enclose the authorization.